

EDUCATION REVIEW COMMITTEE
REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
www.state.hi.us/hirec

MINUTES OF MEETING

The agenda for this meeting was filed with the Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Wednesday, October 10, 2001

Time: 10:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: Charles Aki, Chair
Michael Ching, Member
Mitchell Imanaka, Member
John Ohama, Member
Iris Okawa, Member
Peter Rice, Member

Calvin Kimura, Supervising Executive Officer
Alan Taniguchi, Executive Officer
Lorene Arata, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
Gina Watumull, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Others: Marsha Shimizu, Hawaii Association of REALTORS®
Elizabeth Dower, Dower School of Real Estate
Norman DuPont, HCAAO

Excused: Patricia Choi, Vice Chair
Casey Choi, Member
Alfredo Evangelista, Member

Call to Order: Chair Aki called the meeting to order at 10:00 a.m., at which time quorum was established.

ERC Chair Report: No report.

SEO's Report: Minutes of Meetings

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the minutes of the August 6, 2001 Education Review Committee meeting as distributed.

Continuing Education: Request for Equivalency to Continuing Education Elective (Licensee: Jane F. Abramo, Course: "Keys to Success in a Real Estate Transaction in Hawaii")

Commissioner Ching recused himself from discussion and decision-making on this issue.

Specialist Arata reported that licensee Jane F. Abramo is requesting continuing education credit for the completion of the course "Keys to Success in a Real Estate Transaction in Hawaii" given by the National Business Institute.

Commissioner Imanaka moved to recommend approval of Jane F. Abramo's request for equivalency to continuing education elective. Commissioner Okawa seconded the motion.

Specialist Arata stated that a one-time course offering is available. Commissioner Ohama inquired that if the Committee approves her request does it set a precedent whereby affecting fees for one-time course offerings. He added that this may be a way of avoiding registration.

SEO Kimura stated that if this request is approved, Ms. Abramo will receive continuing education credit and any subsequent requests by others will also have to be approved.

Commissioner Imanaka withdrew his motion. Commissioner Okawa withdrew her second to the motion.

Commissioner Ohama suggested that Staff inform Ms. Abramo that she should encourage the National Business Institute to apply for a one-time course offering registration as it would be beneficial to all parties.

Upon a motion by Commissioner Ohama, seconded by Commissioner Imanaka, it was voted on and unanimously carried to recommend denial of request for equivalency to the continuing education elective course by licensee Jane F. Abramo as the requested course does not meet the requirements of §§16-99-87 and 100(a)(9), Hawaii Administrative Rules.

Applications

Course – "Understanding Contracts Part II," Author/Owner: Abe Lee, Provider: Abe Lee Seminars, Course Category: Contracts, Course Clock Hours: 3

Upon a motion by Commissioner Imanaka, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend approval of "Understanding Contracts Part II" as a three clock hour continuing education course, under the course category Contracts.

Course – "Understanding Contracts Part III," Author/Owner: Abe Lee, Provider: Abe Lee Seminars, Course Category: Contracts, Course Clock Hours: 3

Upon a motion by Commissioner Okawa, seconded by Commissioner Ching, it was voted and unanimously carried to recommend approval of "Understanding Contracts Part III" as a three clock hour continuing education course, under the course category Contracts.

Course – “Federal Laws that Affect Licensees,” Author/Owner: Eddie Flores, Jr., Provider: Eddie Flores Real Estate Continuing Education, Course Category: Risk Management, Course Clock Hours: 3

Upon a motion by Commissioner Imanaka, seconded by Commissioner Ching, it was voted and unanimously carried to recommend approval of “Federal Laws that Affect Licensees” as a three clock hour continuing education course, under the course category Risk Management.

Course - “Hot Real Estate Issues 2001/02,” Author/Owner: Eddie Flores, Jr., Provider: Eddie Flores Real Estate Continuing Education, Course Category: Risk Management, Course Clock Hours: 3

Upon a motion by Commissioner Okawa, seconded by Commissioner Ching, it was voted and unanimously carried to recommend approval of “Hot Real Estate Issues 2001/02” as a three clock hour continuing education course, under the course category Risk Management.

Course - “Residential and Commercial Evictions,” Author/Owner: Eddie Flores, Jr., Provider: Eddie Flores Real Estate Continuing Education, Course Category: Property Management, Course Clock Hours: 3

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval of “Residential and Commercial Evictions” as a three clock hour continuing education course under the course category Property Management.

Provider – “Thomas J. Douma” (Administrator: Thomas J. Douma)

Upon a motion by Commissioner Ohama, seconded by Commissioner Ching, it was voted on and unanimously carried to recommend approval of Thomas J. Douma as a continuing education provider.

Course – “ASHI Standards,” Author/Owner: Thomas J. Douma, Provider: Thomas J. Douma (pending), Course Category: Risk Management, Course Clock Hours: 3

Commissioner Ohama moved to recommend approval of “ASHI Standards” as a three clock hour continuing education course under the course category Risk Management. Commissioner Rice seconded the motion.

Commissioner Ohama inquired if this course met continuing education requirements. Specialist Arata stated that that is what the Committee needs to determine.

Commissioner Ching stated that this course educates as to the process and standards that home inspectors are bound by. Commissioner Rice added that he believes this would be good education for licensees.

Specialist Arata stated that the Committee needs to determine if the course relates to real estate and meets continuing education requirements. Chair Aki stated that he believes the course relates to real estate.

Commissioner Ching stated as a practitioners we review the reports that home inspectors prepare and through this course agents will be able to understand the report. Commissioner Imanaka stated that the course materials may not rise to the level we have previously seen, but he has not experienced the course.

The motion was voted on and it was unanimously carried to recommend approval of "ASHI Standards" as a three clock hour continuing education course under the course category Risk Management

Course – "Red Flags in Construction," Author/Owner: Thomas J. Douma, Provider: Thomas J. Douma (pending), Course Category: Risk Management, Course Clock Hours: 3

Commissioner Ohama moved to recommend denial of "Red Flags in Construction" as a continuing education course. Commissioner Imanaka seconded the motion.

Commissioner Ching stated that he has concerns that licensees completing this course may believe they are "experts" in the construction industry and that would be very dangerous.

Commissioner Ohama stated that some of the materials in this course may be relevant to the "ASHI Standards" course and the author/owner of the course should be informed of this; however, the author/owner should also be warned that any changes to a course must be re-approved.

The motion was voted on and it was unanimously carried to recommend denial of "Red Flags in Construction" as a continuing education course.

Commissioner Ohama excused.

Course – "Risk Management," Author/Owner: Dearborn Real Estate Education, Provider: Dower School of Real Estate, Course Category: Risk Management, Course Clock Hours: 3

Ms. Elizabeth Dower was present to address any questions.

Ms. Dower stated that this course is a very good course from Dearborn Real Estate Education.

Ms. Dower also aired concerns regarding fees for continuing education course approval. She stated that she needs to pay a \$150 fee for continuing education course approval; however, if a course is ARELLO certified the fee is only \$50 and was wondering why there is such a discrepancy in fees.

Specialist Arata responded that Ms. Dower is referring to the National/ARELLO certified courses; however, ARELLO certifies the method of delivery of a course. ARELLO has certified the course for computer based training ("CBT"); however, Ms. Dower also wants to offer this course via live delivery and she is not an ARELLO certified instructor.

SEO Kimura stated that the law states ARELLO, NAR, BOMA, etc. are recognized national organizations and courses certified by these national organizations receive automatic approval; however, they must still be offered through a Hawaii registered provider. He noted that the certification process has gone through changes and we are looking more at content of courses and the national organization's certification process is much more extensive.

Ms. Dower stated that the law should be amended. SEO Kimura responded that if parties are interested in requesting and/or recommending changes, it is requested that they submit their desires and justification in writing to this committee. He noted that the fees require a rule amendment and the Professional and Vocational Licensing Division would determine the next rule making session, not the Commission.

Commissioner Ching requested that Ms. Dower submit a written request/recommendation and the Committee/Commission will gladly look into her request/recommendation.

Ms. Marsha Shimizu, Hawaii Association of REALTORS®, inquired if Dearborn Real Estate Education could be recognized as a national organization. SEO Kimura responded that Dearborn is a for profit organization, not a trade organization.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval of "Risk Management" as a three clock continuing education course, under the course category Risk Management.

Course – "Diversity and Doing Business," Author/Owner: Dearborn Real Estate Education, Provider: Dower School of Real Estate, Course Category: Other – Diversity and Doing Business, Course Clock Hours: 3

Ms. Dower was present to address any questions.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval of "Diversity and Doing Business" as a three clock hour continuing education course, under the course category Fair Housing.

At this time, Ms. Dower inquired when she would be able to begin offering these two courses, as she has planned to offer the course on Molokai on October 27, 2001. Specialist Arata stated that the earliest the course could be offered is October 30, 2001, as the recommendation needs to be ratified at the monthly Commission meeting.

Commissioner Ching stated that due to the current economic situation, he would like to allow Ms. Dower to offer the courses prior to October 30th. Commissioner Rice added that due to the current travel situation, it is a hardship to travel to Molokai and agrees with Commissioner Ching's recommendation.

Upon a motion by Commissioner Rice, seconded by Commissioner Ching, it was voted on and unanimously carried to recommend that approval of "Risk Management" and "Diversity and Doing Business" be effective as of October 10, 2001, subject to ratification on October 30, 2001.

Continuing Education 2001-02 Core Course – Evaluation

Upon a motion by Commissioner Ching, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the evaluations for the record.

Elective Courses – Evaluation

Upon a motion by Commissioner Ching, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the evaluations for the record.

ARELLO Certification Program

Information regarding ARELLO's certification program was distributed to the Commissioners for their information. SEO Kimura stated that this information was obtained from ARELLO's web site and added that the manual is also available for review by Commissioners.

Recommendations on Continuing Education – Gretchen Duplanty

Ms. Elizabeth Dower was available to address any questions.

SEO Kimura stated that if Ms. Duplanty is referring to HAR's core course, she does have the same opportunity to create a core course and submit it for continuing education approval.

Ms. Dower stated that Ms. Duplanty is currently on a trip to China, but she was able to speak to her about her concerns. Ms. Dower stated that Ms. Duplanty is referring to the course required by the National of REALTORS® for its membership. SEO Kimura stated that those courses are mandated by NAR for their members. If NAR wants to offer the course for continuing education credit, they must go through the normal registration process.

Ms. Shimizu added that effective this year, all Realtor members must complete two and one-half hours of code of ethics training courses within the next four years and the local board's are responsible for certification.

Staff will respond to Ms. Duplanty.

Prelicensing Education: Applications – Instructor – Wayne Richardson, III (salesperson and broker curriculums; substitute instructor: salesperson and broker curriculums)

Upon a motion by Commissioner Ching, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval of Wayne Richardson, III, as a prelicense instructor and substitute instructor for the salesperson and broker curriculums subject to applicant attending the next available Commission-approved Instructor's Development Workshop.

Administration of
Examinations:

ASI

Commissioner Ching aired concerns about the Kauai testing site not having enough seats for all interested candidates. He noted that Schools have been paying for extra test dates or candidates are having to fly to Oahu to take the exam.

Specialist Arata reported that the current contract with ASI expires on December 31, 2003, and ASI is currently meeting all specifications of the contract. She added that ASI has also added test sessions at no cost.

She reported that the Hawaii Institute of Real Estate has also arranged with ASI to hold special test sessions for their students only at a cost of \$300. They must contact ASI approximately six to eight weeks in advance and if ASI can arrange a site and proctor, they will accommodate the request.

Commissioner Okawa inquired why there were only 20 seats available. SEO Kimura replied that is the number of test machines available and that number was determined through past history, the number of candidates the proctor can handle at a time, and the size of the available room.

Commissioner Rice inquired why there are an increased number of candidates for particular months. Specialist Arata replied that is usually the months that a prelicense class has ended.

Commissioner Ching stated that there seems to be a high percentage of candidates travelling from Kauai to Oahu to take the exam.

SEO Kimura stated that timing is difficult between ASI and the schools and there is also a cost issue. He added that Commissioner Okawa and Staff will be attending an ARELLO conference and will be meeting with Mr. Ho Mun of ASI there and will discuss this issue with him.

Commissioner Ching requested to defer further discussion on this issue until Staff is able to meet with Mr. Ho Mun and also gather more information/statistics.

Program of Work
FY02:

Evaluation and Education System for CE and Prelicensing Instructors

Upon a motion by Commissioner Ching, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the evaluation for the record.

New Technology Program and REC Web Site – Web Site Statistics

Web site statistics for fiscal year 2001 (July 2000 – June 2001) were distributed to the Commissioners for their information.

ARELLO, REEA &
Other Organizations:

NAR and E-PRO Course

A copy of an article regarding the e-PRO certification program from the July 2001 issue of Agency Law Quarterly Real Estate Intelligence Report was distributed to the Commissioners for their information.

Texas Real Estate Commission – Salesperson 120 hours, Broker 900 hours

A copy of an article regarding Texas' prelicense classroom hour requirement from the September 2001 issue of the TRECAvisor was distributed to the Commissioners for their information.

Alaska Real Estate Commission – 8 Hours Designated CE Courses According to Specialty

A copy of an article regarding Alaska's continuing education hours requirement from the August 2001 issue of the the REC news was distributed to the Commissioners for their information.

Educator's Forum: **Hawaii Association of REALTORS®** – Ms. Shimizu reported that HAR is planning a conference in September 2002 that will be open not only to its members but also open to individuals from all states as well as Asia. She stated that the Commission may be interested in participating in the conference and also inviting international members.

She added that this conference will most likely take place on Oahu.

Hawaii Chapter of Real Estate Educators Association – no discussion presented.

Hawaii Association of Real Estate Schools (HARES) – no discussion presented.

Public and Private Institutions of Higher Education – no discussion presented.

Open Forum: No discussion presented.

Budget and Finance Report (REEF): Budget and Finance Report - REEF

Upon a motion by Commissioner Imanaka, seconded by Commissioner Okawa, it was voted on and unanimously carried to accept the Real Estate Education Fund report.

Next Meeting: Wednesday, November 14, 2001
10:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Aki adjourned the meeting at 11:11 a.m.

Respectfully submitted by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

November 14, 2001
Date

[X] Minutes approved as is.
[] Minutes approved with changes.